1. PURPOSES AND LIMITATIONS

Disclosure and discovery activity in this action are likely to involve production of confidential, proprietary, or private information for which special protection from public disclosure and from use for any purpose other than prosecuting this litigation may be warranted. Accordingly, the parties hereby stipulate to and petition the court to enter the following Stipulated Protective Order. The parties acknowledge that this Order does not confer blanket protections on all disclosures or responses to discovery and that the protection it affords from public disclosure and use extends only to the limited information or items that are entitled to confidential treatment under the applicable legal principles. The parties further acknowledge that Civil Local Rule 79-5 sets forth the procedures that must be followed and the standards that will be applied when a party seeks permission from the court to file material under seal.

2. DEFINITIONS

- 2.1 <u>Challenging Party</u>: a Party or Non-Party that challenges the designation of information or items under this Order.
- 2.2 <u>"CONFIDENTIAL" Information or Items</u>: information (regardless of how it is generated, stored or maintained) or tangible things that qualify for protection under Federal Rule of Civil Procedure 26(c).
- 2.3 <u>Counsel (without qualifier):</u> Outside Counsel of Record and House Counsel (as well as their support staff).
- 2.4 <u>Designating Party:</u> a Party or Non-Party that designates information or items that it produces in disclosures or in responses to discovery as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL OUTSIDE COUNSELS' EYES ONLY".
- 2.5 <u>Disclosure or Discovery Material:</u> all items or information, regardless of the medium or manner in which it is generated, stored, or maintained (including documents, deposition testimony, deposition transcripts, and tangible things, but

9

13

14 15

16 17

18

20

19

21 22

23 24

25

27

28

26

not including other pretrial testimony/transcripts and pretrial hearings), that are produced or generated in disclosures or responses to discovery in this matter.

- Expert: a person with specialized knowledge or experience in a matter 2.6 pertinent to the litigation who (1) has been retained by a Party or its counsel to serve as an expert witness or as a consultant in this action, (2) is not a past or current employee of a Party or of a Party's competitor, and (3) at the time of retention, is not anticipated to become an employee of a Party or of a Party's competitor.
- 2.7 "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY" Information or Items: extremely sensitive "Confidential Information or Items," disclosure of which to another Party or Non-Party would create a substantial risk of serious harm that could not be avoided by less restrictive means.
- 2.8 House Counsel: attorneys who are employees of a party to this action. House Counsel does not include Outside Counsel of Record or any other outside counsel.
- 2.9 Non-Party: any natural person, partnership, corporation, association, or other legal entity not named as a Party to this action.
- 2.10 Outside Counsel of Record: attorneys who are not employees of a party to this action but are retained to represent or advise a party to this action and have appeared in this action on behalf of that party or are affiliated with a law firm which has appeared on behalf of that party.
- 2.11 Party: any party to this action, including all of its officers, directors, employees, consultants, retained experts, and Outside Counsel of Record (and their support staffs).
- 2.12 Producing Party: a Party or Non-Party that produces Disclosure or Discovery Material in this action.
- 2.13 Professional Vendors: persons or entities that provide litigation support services (e.g., photocopying, videotaping, translating, preparing exhibits or

- 2.14 <u>Protected Material:</u> any Disclosure or Discovery Material that is designated as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL OUTSIDE COUNSELS' EYES ONLY."
- 2.15 <u>Receiving Party:</u> a Party that receives Disclosure or Discovery Material from a Producing Party.

3. SCOPE

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

The protections conferred by this Stipulation and Order cover not only Protected Material (as defined above), but also (1) any information copied or extracted from Protected Material; and (2) all copies, excerpts, summaries, or compilations of Protected Material; and (3) any conversations or presentations by Parties or their Counsel that might reveal Protected Material. However, the protections conferred by this Stipulation and Order do not cover the following information: (a) any information that is in the public domain at the time of disclosure to a Receiving Party or becomes part of the public domain after its disclosure to a Receiving Party as a result of publication not involving a violation of this Order, including becoming part of the public record through trial or otherwise; (b) any information known to the Receiving Party prior to the disclosure or obtained by the Receiving Party after the disclosure from a source who obtained the information lawfully and under no obligation of confidentiality to the Designating Party; and (c) pretrial testimony/transcripts, pretrial hearings, trial testimony/transcripts and trial. Any use of Protected Material at pretrial hearings or trial shall be governed by a separate agreement or order.

4. DURATION

Even after final disposition of this litigation, the confidentiality obligations imposed by this Order shall remain in effect until a Designating Party agrees otherwise in writing or a court order otherwise directs. Final disposition shall be

deemed to be the later of (1) dismissal of all claims and defenses in this action, with or without prejudice; and (2) final judgment herein after the completion and exhaustion of all appeals, rehearings, remands, trials, or reviews of this action, including the time limits for filing any motions or applications for extension of time pursuant to applicable law.

5. DESIGNATING PROTECTED MATERIAL

Each Party or Non-Party that designates information or items for protection under this Order must take care to limit any such designation to specific material that qualifies under the appropriate standards. To the extent it is practical to do so, the Designating Party must designate for protection only those parts of material, documents, items, or oral or written communications that qualify – so that other portions of the material, documents, items, or communications for which protection is not warranted are not swept unjustifiably within the ambit of this Order.

Mass, indiscriminate, or routinized designations are prohibited.

Designations that are shown to be clearly unjustified or that have been made for an improper purpose (e.g., to unnecessarily encumber or retard the case development process or to impose unnecessary expenses and burdens on other parties) may expose the Designating Party to sanctions.

If it comes to a Designating Party's attention that information or items that it designated for protection do not qualify for protection at all or do not qualify for the level of protection initially asserted, that Designating Party must promptly notify all other parties that it is withdrawing the mistaken designation.

5.2 <u>Manner and Timing of Designations.</u> Except as otherwise provided in this Order (see, e.g., second paragraph of section 5.2(a) below), or as otherwise stipulated or ordered, Disclosure or Discovery Material that qualifies for protection

under this Order must be clearly so designated before the material is disclosed or produced. Designation in conformity with this Order requires:

(a) for information in documentary form (e.g., paper or electronic documents, but excluding transcripts of depositions or other pretrial or trial proceedings), that the Producing Party affix the legend "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY" to each page that contains protected material.

A Party or Non-Party that makes original documents or materials available for inspection need not designate them for protection until after the inspecting Party has indicated which material it would like copied and produced. During the inspection and before the designation, all of the material made available for inspection shall be deemed "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY." After the inspecting Party has identified the documents it wants copied and produced, the Producing Party must determine which documents, or portions thereof, qualify for protection under this Order. Then, before producing the specified documents, the Producing Party must affix the appropriate legend ("CONFIDENTIAL" or "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY") to each page that contains Protected Material.

(b) for testimony given in deposition, that the Designating Party identify on the record, before the close of the deposition, all protected testimony and specify the level of protection being asserted. When it is impractical to identify separately each portion of deposition testimony that is entitled to protection and it appears that substantial portions of the deposition testimony may qualify for protection, the Designating Party may invoke on the record (before the deposition is concluded) a right to have up to 30 days to identify the specific portions of the deposition testimony as to which protection is sought and to specify the level of protection being asserted. Only those portions of the deposition testimony that are

appropriately designated for protection within the 30 days shall be covered by the provisions of this Stipulated Protective Order. Alternatively, a Designating Party may specify, at the deposition or up to 30 days afterwards if that period is properly invoked, that the entire deposition transcript shall be treated as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY."

Parties shall give the other parties notice if they reasonably expect a deposition to include Protected Material so that the other parties can ensure that only authorized individuals who have signed the "Acknowledgment and Agreement to Be Bound" (Exhibit A) are present at the deposition. The use of a document as an exhibit at a deposition shall not in any way affect its designation as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY."

Deposition transcripts containing Protected Material shall have an obvious legend on the title page that the deposition transcript contains Protected Material, and the title page shall be followed by a list of all pages (including line numbers as appropriate) that have been designated as Protected Material and the level of protection being asserted by the Designating Party. The Designating Party shall inform the court reporter of these requirements. Any deposition transcript that is prepared before the expiration of a 30-day period for designation shall be treated during that period as if it had been designated "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY" in its entirety unless otherwise agreed. After the expiration of that period, the deposition transcript shall be treated only as actually designated.

(c) for information produced in some form other than documentary and for any other tangible items, that the Producing Party affix in a prominent place on the exterior of the container or containers in which the information or item is stored

-6-

the legend "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY."

5.3 <u>Inadvertent Failures to Designate</u>. If timely corrected, an inadvertent failure to designate qualified information or items does not, standing alone, waive the Designating Party's right to secure protection under this Order for such material. Upon timely correction of a designation, the Receiving Party must make reasonable efforts to assure that the material is treated in accordance with the provisions of this Order.

6. CHALLENGING CONFIDENTIALITY DESIGNATIONS

- designation of confidentiality at any time so long as the timing of any such challenge comports with the discovery cut-off deadline. Unless a prompt challenge to a Designating Party's confidentiality designation is necessary to avoid foreseeable, substantial unfairness, unnecessary economic burdens, or a significant disruption or delay of the litigation, a Party does not waive its right to challenge a confidentiality designation by electing not to mount a challenge promptly after the original designation is disclosed.
- 6.2 <u>Meet and Confer and Judicial Intervention.</u> The parties shall comply with the procedures set forth in Civil Local Rule 37 to resolve any dispute as to a designation of confidentiality and shall comport with the discovery cut-off deadline.

7. ACCESS TO AND USE OF PROTECTED MATERIAL

7.1 <u>Basic Principles.</u> A Receiving Party may use Protected Material that is disclosed or produced by another Party or by a Non-Party in connection with this case only for prosecuting, defending, or attempting to settle this litigation. Such Protected Material may be disclosed only to the categories of persons and under the conditions described in this Order. When the litigation has been terminated, a

Receiving Party must comply with the provisions of section 13 below (FINAL DISPOSITION).

Protected Material must be stored and maintained by a Receiving Party at a location and in a secure manner that ensures that access is limited to the persons authorized under this Order.

- 7.2 <u>Disclosure of "CONFIDENTIAL" Information or Items.</u> Unless otherwise ordered by the court or permitted in writing by the Designating Party, a Receiving Party may disclose any information or item designated "CONFIDENTIAL" only to:
- (a) the Receiving Party's Outside Counsel of Record in this action, as well as employees of said Outside Counsel of Record to whom it is reasonably necessary to disclose the information for this litigation and who have signed the "Acknowledgment and Agreement to Be Bound" that is attached hereto as Exhibit A;
- (b) the officers, directors, and employees (including House Counsel) of the Receiving Party to whom disclosure is reasonably necessary for this litigation and who have signed the "Acknowledgment and Agreement to Be Bound" (Exhibit A);
- (c) Experts (as defined in this Order) of the Receiving Party to whom disclosure is reasonably necessary for this litigation and who have signed the "Acknowledgment and Agreement to Be Bound" (Exhibit A);
 - (d) the court and its personnel;
- (e) court reporters and their staff, professional jury or trial consultants, and Professional Vendors to whom disclosure is reasonably necessary for this litigation and who have signed the "Acknowledgment and Agreement to Be Bound" (Exhibit A);
- (f) during their depositions, witnesses in the action to whom disclosure is reasonably necessary and who have signed the "Acknowledgment and Agreement to Be Bound" (Exhibit A), unless otherwise agreed by the Designating Party or

ordered by the court. Pages of transcribed deposition testimony or exhibits to depositions that reveal Protected Material must be separately bound by the court reporter and may not be disclosed to anyone except as permitted under this Stipulated Protective Order.

- (g) the author or recipient of a document containing the information or a custodian or other person who otherwise possessed or knew the information.
- 7.3 <u>Disclosure of "HIGHLY CONFIDENTIAL OUTSIDE</u>

 <u>COUNSELS' EYES ONLY".</u> Unless otherwise ordered by the court or permitted in writing by the Designating Party, a Receiving Party may disclose any information or item designated "HIGHLY CONFIDENTIAL OUTSIDE COUNSELS' EYES ONLY" only to:
- (a) the Receiving Party's Outside Counsel of Record in this action, as well as employees of said Outside Counsel of Record to whom it is reasonably necessary to disclose the information for this litigation and who have signed the "Acknowledgment and Agreement to Be Bound" that is attached hereto as Exhibit A;
- (b) Experts of the Receiving Party (1) to whom disclosure is reasonably necessary for this litigation, (2) who have signed the "Acknowledgment and Agreement to Be Bound" (Exhibit A), and (3) as to whom the procedures set forth in paragraph 7.4(a), below, have been followed;
 - (c) the court and its personnel;
- (d) court reporters and their staff, professional jury or trial consultants, and Professional Vendors to whom disclosure is reasonably necessary for this litigation and who have signed the "Acknowledgment and Agreement to Be Bound" (Exhibit A); and
- (e) the author or recipient of a document containing the information or a custodian or other person who otherwise possessed or knew the information.

24

25

26

27

- 7.4 <u>Procedures for Approving or Objecting to Disclosure of "HIGHLY</u>

 <u>CONFIDENTIAL OUTSIDE COUNSELS' EYES ONLY" Information or Items</u>
 to Experts.
- (a) Unless otherwise ordered by the court or agreed to in writing by the Designating Party, a Party that seeks to disclose to an Expert (as defined in this Order) any information or item that has been designated "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY" pursuant to paragraph 7.3(b) first must make a written request to the Designating Party that (1) identifies the general categories of "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY" information that the Receiving Party seeks permission to disclose to the Expert, (2) sets forth the full name of the Expert and the city and state of his or her primary residence, (3) attaches a copy of the Expert's current resume, (4) identifies the Expert's current employer(s), (5) identifies each person or entity from whom the Expert has received compensation or funding for work in his or her areas of expertise or to whom the expert has provided professional services, including in connection with a litigation, at any time during the preceding five years, and (6) identifies (by name and number of the case, filing date, and location of court) any litigation in connection with which the Expert has offered expert testimony, including through a declaration, report, or testimony at a deposition or trial, during the preceding five years.
- (b) A Party that makes a request and provides the information specified in the preceding respective paragraphs may disclose the subject Protected Material to the identified Expert unless, within 14 days of delivering the request, the Party receives a written objection from the Designating Party. Any such objection must set forth in detail the grounds on which it is based.
- (c) The parties shall comply with the procedures set forth in Civil Local Rule 37 to resolve any dispute as to disclosure of any information or item that has been

1	designated "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS' EYES		
2	ONLY" to an Expert (as defined in this Order) under paragraph 7.3(b) and shall		
3	comport with the discovery cut-off deadline.		
4	8. PROTECTED MATERIAL SUBPOENAED OR ORDERED PRODUCED		
5	IN OTHER LITIGATION		
6	If a Party is served with a subpoena or a court order issued in other litigation		
7	that compels disclosure of any information or items designated in this action as		
8	"CONFIDENTIAL" or "HIGHLY CONFIDENTIAL – OUTSIDE COUNSELS"		
9	EYES ONLY" that Party must:		
10	(a) promptly notify in writing the Designating Party. Such notification shall		
11	include a copy of the subpoena or court order;		
12	(b) promptly notify in writing the party who caused the subpoena or order to		
13	issue in the other litigation that some or all of the material covered by the subpoena		
14	or order is subject to this Protective Order. Such notification shall include a copy		
15	of this Stipulated Protective Order; and		
16	(c) cooperate with respect to all reasonable procedures sought to be pursued		
17	by the Designating Party whose Protected Material may be affected.		
18	The Designating Party shall bear the burden and expense of seeking		
19	protection in that court of its confidential material – and nothing in these		
20	provisions should be construed as authorizing or encouraging a Receiving Party in		
21	this action to disobey a lawful directive from another court.		
22	9. <u>A NON-PARTY'S PROTECTED MATERIAL SOUGHT TO BE</u>		
23	PRODUCED IN THIS LITIGATION		
24	(a) The terms of this Order are applicable to information produced by a		
25	Non-Party in this action and designated as "CONFIDENTIAL" or "HIGHLY		
26	CONFIDENTIAL – OUTSIDE COUNSELS' EYES ONLY". Such information		
27	produced by Non-Parties in connection with this litigation is protected by the		

remedies and relief provided by this Order. Nothing in these provisions should be construed as prohibiting a Non-Party from seeking additional protections.

- (b) In the event that a Party is required, by a valid discovery request, to produce a Non-Party's confidential information in its possession, and the Party is subject to an agreement with the Non-Party not to produce the Non-Party's confidential information, then the Party shall:
- 1. promptly notify in writing the Requesting Party and the Non-Party that some or all of the information requested is subject to a confidentiality agreement with a Non-Party;
- 2. promptly provide the Non-Party with a copy of the Stipulated Protective Order in this litigation, the relevant discovery request(s), and a reasonably specific description of the information requested; and
- 3. make the information requested available for inspection by the Non-Party.

10. <u>UNAUTHORIZED DISCLOSURE OF PROTECTED MATERIAL</u>

If a Receiving Party learns that, by inadvertence or otherwise, it has disclosed Protected Material to any person or in any circumstance not authorized under this Stipulated Protective Order, the Receiving Party must immediately (a) notify in writing the Designating Party of the unauthorized disclosures, (b) use its best efforts to retrieve all unauthorized copies of the Protected Material, (c) inform the person or persons to whom unauthorized disclosures were made of all the terms of this Order, and (d) request such person or persons to execute the "Acknowledgment and Agreement to Be Bound" that is attached hereto as Exhibit A.

11. <u>INADVERTENT PRODUCTION OF PRIVILEGED OR OTHERWISE</u> PROTECTED MATERIAL

When a Producing Party gives notice to Receiving Parties that certain inadvertently produced material is subject to a claim of privilege or other

protection, the obligations of the Receiving Parties are those set forth in Federal Rule of Civil Procedure 26(b)(5)(B). This provision is not intended to modify whatever procedure may be established in an e-discovery order that provides for production without prior privilege review. Pursuant to Federal Rule of Evidence 502(d) and (e), insofar as the parties reach an agreement on the effect of disclosure of a communication or information covered by the attorney-client privilege or work product protection, the parties may incorporate their agreement in the stipulated protective order submitted to the court.

12. MISCELLANEOUS

- 12.1 <u>Right to Further Relief.</u> Nothing in this Order abridges the right of any person to seek its modification by the court in the future.
- 12.2 <u>Right to Assert Other Objections.</u> By stipulating to the entry of this Protective Order no Party waives any right it otherwise would have to object to disclosing or producing any information or item on any ground not addressed in this Stipulated Protective Order. Similarly, no Party waives any right to object on any ground to use in evidence of any of the material covered by this Protective Order.
- 12.3 <u>Filing Protected Material</u>. A Party that seeks to file under seal any Protected Material shall comply with Civil Local Rule 79-5.

13. <u>FINAL DISPOSITION</u>

Within 60 days after the final disposition of this action, as defined in paragraph 4, each Receiving Party must return all Protected Material to the Producing Party or destroy such material. As used in this subdivision, "all Protected Material" includes all copies, abstracts, compilations, summaries, and any other format reproducing or capturing any of the Protected Material. Whether the Protected Material is returned or destroyed, the Receiving Party must submit a written certification to the Producing Party (and, if not the same person or entity, to the Designating Party) by the 60-day deadline that (1) identifies (by category,

1	where appropriate) all the Protected	Material that was returned	d or destroyed and	
2	(2) affirms that the Receiving Party has not retained any copies, abstracts,			
3	compilations, summaries or any other	er format reproducing or c	capturing any of the	
4	Protected Material. Notwithstanding this provision, Counsel are entitled to retain			
5	an archival copy of all pleadings, motion papers, trial, deposition, and hearing			
6	transcripts, legal memoranda, correspondence, deposition and trial exhibits, expert			
7	reports, attorney work product, and consultant and expert work product, even if			
8	such materials contain Protected Material. Any such archival copies that contain			
9	or constitute Protected Material remain subject to this Protective Order as set forth			
10	in Section 4 (DURATION).			
11	IT IS SO STIPULATED, THROUGH COUNSEL OF RECORD.			
12				
13	DATED: June 12, 2012	PERKINS COIE LLP		
14				
15		By: /s/ Michael J. So Michael J. Song	ong	
16		msong@perkinsco	oie.com	
17		Attorneys for Plaintiff	•	
18		NMC GROUP, INC.		
19	DATED: June 12, 2012	JOSEPH E. MUETH LA	AW CORPORATION	
20				
21		By: /s/ Joseph E. Mu Joseph E. Mueth	ıeth	
22		jmueth@josephen	nueth.com	
23		Attorneys for Defenda		
24		THE YOUNG ENGI	NEERS, INC.	
25	PURSUANT TO STIPULATION, IT IS SO ORDERED.			
26	DATED: June 14, 2012	/s/		
27		Hon. Jacqueline Chooli	ian	
28		U.S. Magistrate Judge		
	25220 55224 FG 11 220 (12 (2	1.4	Stipulated Protective Order	

1	EXHIBIT A		
2	ACKNOWLEDGMENT AND AGREEMENT TO BE BOUND		
3	I, [print or type full name], of		
4			
5	[print or type full address], declare under penalty of perjury that I have read in its		
6	entirety and understand the Stipulated Protective Order that was issued by the		
7	United States District Court for the Central District of California in the case of		
8	NMC Group, Inc. v. The Young Engineers, Inc., Case No. 2:11-cv-04280-GHK-JC.		
9	I agree to comply with and to be bound by all the terms of this Stipulated		
10	Protective Order and I understand and acknowledge that failure to so comply could		
11	expose me to sanctions and punishment in the nature of contempt. I solemnly		
12	promise that I will not disclose in any manner any information or item that is		
13	subject to this Stipulated Protective Order to any person or entity except in strict		
14	compliance with the provisions of this Order.		
15	I further agree to submit to the jurisdiction of the United States District		
16	Court for the Central District of California for the purpose of enforcing the terms		
17	of this Stipulated Protective Order, even if such enforcement proceedings occur		
18	after termination of this action.		
19	I hereby appoint [print or type full name] of		
20			
21	[print or type full address and telephone number] as my California agent for		
22	service of process in connection with this action or any proceedings related to		
23	enforcement of this Stipulated Protective Order.		
24	Date:		
25	City and State where sworn and signed:		
26	Printed name:		
27			
28	Signature:		